CASE STUDY Reaching Agreement through Dialogue

Farmers and energy company resolve a dispute, benefiting all



Farmer Juana Lico de Ruiz shows the plantain and cucumber fields owned by the energy company LAGEO that her community is harvesting in Cantón Santa Rosa Acacalco, El Salvador.

"The [mediation] service helped solve this conflict ... The company officials are satisfied after obtaining what they wanted. This shows one of the mediation precepts, win-win," said Martin Delgado, the USAID-trained coordinator of the local mediation center.

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Challenge

A community of 115 families in Cantón Santa Rosa Acacalco, in El Salvador's western Ahuachapan region was living off of

the corn and beans they grew on land owned by a private company, LAGEO. A man claiming he would help the farmers obtain land titles charged them a fee to harvest crops there. Problems arose when LAGEO decided to reforest the land so it could safely tap into its geothermal energy. Not only did LAGEO want to evict the farmers to reforest the land, but both parties discovered that the man who had been collecting the money was an imposter. The two parties were now in conflict.

Initiative

USAID has been helping the government of El Salvador create a national network of mediation

centers where family, property, and community disputes can be resolved without enormous costs to the parties. Mediation is a quick, confidential, and neutral process in which each side has the opportunity to express its opinions and suggest solutions. It is an attractive alternative to formal judicial proceedings, which are expensive and lengthy. By 2006, the mediation centers had resolved over 8,500 disputes. When the dispute with the local community in Ahuachapan arose, LAGEO was in favor of mediation. "We believe that when conflicts arise, we have to look for alternatives," said Patricia Zavaleta, LAGEO's Social Responsibility Coordinator.

Results

When both parties showed interest in negotiating, the mediation process started. Six months later, they agreed on a solution that served everyone's needs: the farmers would grow a different product — plantains — that would protect the land from erosion. With an initial loan of \$7,000 from LAGEO, the farmers began cultivating plantains and vegetables. They earn a salary with benefits and are training in farm cooperative management. The agreement covers a five-year period, with an extension provision, and LAGEO is now able to harness geothermal energy while building strong relations with the local community.